

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:

City of Detroit, Michigan,

Debtor.

Bankruptcy Case No. 13-53846
Honorable Thomas J. Tucker
Chapter 9

**EXHIBIT E (HAP PLAN) IN SUPPORT OF DPLSA'S RESPONSE IN
OPPOSITION TO CITY OF DETROIT'S MOTION FOR (I) DETERMINATION
THAT THE DETROIT POLICE LIEUTENANTS AND SERGEANTS
ASSOCIATION HAS VIOLATED THE TERMS OF THE CITY OF DETROIT'S
CONFIRMED PLAN OF ADJUSTMENT AND THE ORDER CONFIRMING IT;
AND (II) ORDER (A) ENJOINING FURTHER VIOLATIONS AND
(B) REQUIRING DISMISSAL OF STATE ACTIONS [DOCKET NO. 9656]**

PART 4 OF 5

Chemical Dependency services are only available when treatment is received from one of the following Affiliated Providers:

- 1) Licensed psychiatrists/licensed physicians who are addictionologists.
- 2) Master of social work with certification.
- 3) Licensed psychologist.
- 4) Accredited mental health clinic.
- 5) Licensed residential treatment center.
- 6) Bachelor degree with certified addiction counselor credentials.
- 7) Clinical nurse specialist.
- 8) A hospital which provides Chemical Dependency services.

a. **Inpatient Chemical Dependency Detoxification Services**

This level of care provides high intensity medical and nursing services in a structured environment providing 24-hour skilled nursing and medical care for an acute short term Chemical Dependency condition.

b. **Inpatient Chemical Dependency Rehabilitation Services**

This level of care provides 24-hour per day supervised care for a substance abuse diagnosis not requiring full nursing and medical services.

c. **Chemical Dependency Outpatient/Ambulatory Detoxification**

Detoxification services provided in a structured outpatient/ambulatory program with medical and nursing supervision as identified in a defined treatment plan that achieves the set goals of safe withdrawal.

d. **Chemical Dependency Day Treatment Services**

Intensive day treatment programs for Chemical Dependency may be covered in lieu of Inpatient Chemical Dependency services, Intensive, non-residential level of service, similar in intensity to Inpatient, meeting for more than four hours (and generally, less than 8 hours) weekdays.

e. **Outpatient Chemical Dependency Services**

Covered outpatient Chemical Dependency services include Chemical Dependency consultations, and other services, such as medical testing, diagnostic evaluation and implementation of other Chemical Dependency services as identified in the treatment plan approved by HAP or its designee. These visits must be provided by an appropriate Affiliated Provider, who is a licensed behavioral health professional. The least intensive level of service, typically provided in a office setting from 20-50 minutes (for individuals) and to 90 minutes (for group therapies) per day.

f. **Chemical Dependency Intensive Outpatient Services**

Multidisciplinary, structured services provided at a greater frequency and intensity than routine outpatient treatment generally up to three hours per day, up to five days per week. Treatment modalities include individual, family, group and medication therapies.

g. Coverage for Chemical Dependency services may include charges for:

- 1) Evaluation and diagnostic services.
- 2) Therapeutic services including psychiatric services.
- 3) Brief intervention and counseling services.

- 4) Treatment for a Dependent including family therapy.
- 5) Group therapy sessions.
- 6) Medication reviews.

h. Inpatient and intermediate Chemical Dependency services may include charges for:

- 1) Semi-private room and board.
- 2) Hospital or facility based professional charges.
- 3) Attending physician services.
- 4) Partial programs which may include day treatment.
- 5) Detoxification services.

4.14 Breast Cancer Screening, Diagnostic, Treatment, Rehabilitative and Mastectomy Services

- a. Covered Services for breast cancer include the following:
 - 1) Breast cancer screening (mammography), as medically appropriate.
 - 2) Breast cancer diagnostic services including mammography, surgical breast biopsy, and pathological examination and interpretation.
 - 3) Breast cancer treatment services including surgery, radiation therapy, chemotherapy, hormonal therapy, and related medical follow-up services.
 - 4) Breast cancer rehabilitative services including reconstructive plastic surgery, physical therapy, and psychological and support services.
 - 5) Reconstruction of the affected breast.
 - 6) Surgery and reconstruction of the other breast to produce a symmetrical appearance.
 - 7) Prostheses required after mastectomy.
 - 8) Treatment of physical complications from all stages of mastectomy, including lymphedemas.

4.15 Home Health Care

- a. Home Health Care is covered when all of the following conditions are met:
 - 1) The services are provided for the care and treatment of an Injury or Illness of such severity that confinement in a hospital or other health care facility would be required without the services;
 - 2) The services are provided through an Affiliated home health care agency; and
 - 3) The level of care is skilled as approved under HAP's guidelines.
- b. The number of visits for Home Health Care shall be approved according to HAP's benefit, referral and practice policies, and are limited to 60 consecutive calendar days per Illness or Injury beginning with the first visit.
- c. Home Health Care is further limited to care needed on a part-time or intermittent basis, as defined under HAP's guidelines.

4.16 Therapy and Rehabilitation Services

- a. Therapy and rehabilitation services including physical, nutritional, speech, and occupational therapy, and cardiac and pulmonary rehabilitation provided by an Affiliated Provider are Covered Services for a Member whose condition meets all of the following criteria:
 - 1) Your condition must be of such a level of complexity that the required services can be performed safely and effectively only by or under the direction of a qualified therapist;
 - 2) The requested Therapy Services must be related directly and specifically to a treatment plan as established by your HAP Affiliated Provider and the qualified therapist; and
 - 3) The services must be reasonable and necessary to the treatment of your diagnosis according to all of the following:
 - a) The treatment must be consistent with standards of medical practice and an effective treatment for your condition; and
 - b) It is expected that the condition will improve significantly in a reasonable (and usually predictable) period of time or the services must be necessary to the establishment of a safe and effective maintenance program as related to a specific disease state.
 - 4) There is a combined annual visit limit of 60 visits for physical therapy, speech therapy and occupational therapy.

b. Physical Therapy

Short-term physical Therapy Services, either in the home or outpatient clinical setting, are covered when treatment begins following Illness or Injury. The number of visits for physical therapy is limited to a combined annual visit limit of 60 visits for physical therapy, speech therapy and occupational therapy.

c. Speech Therapy

- 1) The therapy must be related to an organic medical condition (i.e., attributable to a physiological cause) or an immediate postoperative or convalescent state and be restorative in nature.
- 2) Short-term speech Therapy Services, either in the home or outpatient clinical setting, are covered when treatment begins following Illness or Injury.

The number of visits for speech therapy is limited to a combined annual visit limit of 60 visits for physical therapy, speech therapy and occupational therapy.

d. Occupational Therapy

- 1) The therapy must be concerned with improving or restoring functions to improve your ability to perform tasks required for independent functioning that have been impaired or permanently lost due to Illness or Injury.
- 2) Short-term occupational Therapy Services, either in the home or outpatient clinical setting, are covered when treatment begins following illness or injury.

The number of visits for Medically Necessary occupational therapy is limited to a combined annual visit limit of 60 visits for physical therapy, speech therapy and occupational therapy.

e. Cardiac Rehabilitation

Cardiac rehabilitation therapy is a Covered Service when the therapy is approved in advance and provided by a HAP Affiliated Provider according to HAP's benefit, referral and practice policies.

- 1) Phase I of the cardiac rehabilitation program must be administered during an approved Inpatient hospitalization.
- 2) Phase II is a Physician supervised and monitored outpatient program that includes exercise and testing. This component of the program is covered with appropriate prior approval from a HAP Affiliated Provider according to HAP's benefit, referral and practice policies.
- 3) Coverage for the Phase II component is limited to the number of visits according to HAP's benefit, referral and practice policies.

f. **Pulmonary Rehabilitation**

Pulmonary rehabilitation is a Covered Service when the following conditions are met:

- 1) The therapy is approved in advance and provided by a HAP Affiliated Provider according to HAP's benefit, referral and practice policies.
- 2) Coverage for pulmonary rehabilitation is limited to the number of visits according to HAP's benefit, referral and practice policies.

g. **Other Medical Rehabilitation Services**

Other rehabilitation services, except as specifically excluded in this Contract, may be Covered Services when ordered, arranged for, and provided by a HAP Affiliated Provider according to HAP's benefit, referral and practice policies.

4.17 Reproductive Care and Family Planning Services

The following services and benefits are Covered Services, except as excluded by a Rider:

- a. History, physical examinations, laboratory tests, counseling, and medical supervision related to family planning as approved by the HAP Affiliated Provider according to HAP's benefit, referral and practice policies.
- b. Genetic testing and counseling in accordance with HAP's benefit, referral and practice policies.
- c. Services for diagnoses, counseling, and treatment of anatomical disorders causing infertility in accordance with HAP's benefit, referral and practice policies. Following the initial sequence of diagnostic work-up and treatment, additional treatment will be undertaken only when approved by HAP or its designee according to HAP's benefit, referral and practice policies.
- d. Adult sterilization procedures are limited to vasectomy and tubal ligation procedures.

4.18 Oral and Maxillofacial Services

Oral and maxillofacial surgery and related X-rays are Covered Services with prior approval from HAP or its designee, according to HAP's benefit, referral and practice policies, for the following conditions:

- a. Prompt repair and treatment of fractures of the jaw and facial dislocation of the jaw.
- b. Emergency Services for the prompt repair of traumatic injury to sound natural teeth resulting from an injury that occurs while you are enrolled in HAP. Services provided after the Emergency are not covered.

- c. Removal of teeth for treatment of lesions, tumors, and cysts on or in the mouth when approved by HAP or its designee according to HAP's benefit, referral and practice policies.
- d. Hospital and related professional services will be covered when multiple extractions, concurrent with a hazardous medical condition, require the procedure to be performed in a hospital. These services must be arranged and approved by HAP or its designee according to HAP's benefit, referral and practice policies.
- e. Temporomandibular joint (TMJ) therapy is a covered benefit when the following conditions are met:
 - 1) A consultative visit with a HAP Affiliated Provider has been arranged for and approved in advance by HAP or its designee, and yields a proposed treatment plan.
 - 2) Only Phase I treatments, consisting of non-invasive, reversible procedures, are Covered Services under this Contract. Invasive procedures and additional services, such as occlusal bite splints, are not Covered Services.
 - 3) Each Phase I procedure will be approved only once per Member per lifetime.
- f. Medically necessary orthognathic surgery when approved by HAP or its designee according to HAP's benefit, referral and practice policies.

4.19 Anti-Cancer Drugs

HAP will cover drugs approved by the Federal Food and Drug Administration (FDA) that are used in antineoplastic therapy and their administration. Coverage will be provided regardless of whether the specific neoplasm for which the drug is being used as treatment is the specific neoplasm for which the drug has received FDA approval if all of the following are met:

- a. The drug is ordered by a HAP Affiliated Provider for the treatment of a specific type of neoplasm;
- b. The drug is approved by the FDA for use in antineoplastic therapy;
- c. The drug is used as part of an antineoplastic drug regimen;
- d. Current medical literature substantiates its efficacy and recognized oncology organizations generally accept the treatment; and
- e. The HAP Affiliated Provider has obtained informed consent from you for the treatment regimen that includes FDA approved drugs for off-label indications.

4.20 Organ and Tissue Transplantation

- a. Organ and tissue transplants and related services are Covered Services when all of the following conditions are met:
 - 1) The organ or tissue transplant is determined not to be Experimental or Investigative, as defined in Section 11; and
 - 2) A HAP Affiliated Provider submits the initial evaluation for prior approval by HAP or its designee.
- b. When the transplant recipient is an eligible HAP Member, but the donor is not, benefits are provided for the recipient and, to the extent they are not available under any other health care coverage, for the donor. In this event the donor must have a notarized statement indicating that no other insurance is available.

- c. Donor searches and related evaluation and testing of the immediate family members only (parent, siblings, children) of the transplant recipient to establish compatibility and suitability of potential and actual donors.
- d. Donor benefits are limited to expenses incurred for all pre- and post-testing, physician services, laboratory procedures and hospitalizations needed to harvest the organ, until the donor's discharge from the hospital immediately following the transplant.
- e. Expenses incurred in the evaluation and procurement of cadaver organs and tissue are Covered Services for Members who meet the above conditions.
- f. Drugs related to pre- or post-transplantation require a Prescription Drug Rider.

4.21 Hospice Care

Hospice is a program designed to care for the special needs of the dying.

- a. Hospice care is a covered benefit when all of the following conditions are met:
 - 1) The election of Hospice occurs on or after the effective date of coverage; and
 - 2) A written medical certification statement of the patient's terminal illness is presented to HAP according to HAP's benefit, referral and practice policies.
- b. The Hospice benefit is limited to a total benefit period not to exceed 210 days per lifetime.

4.22 Drugs, Dietary Drugs, Food and Food Supplements

- a. HAP covers all medications that are administered in an Inpatient facility (inpatient facility is defined as a facility like an Inpatient hospital, Inpatient psychiatric hospital, Inpatient chemical dependency facility and long term acute care facility that provides diagnostic, therapeutic, and rehabilitation services).
- b. Outside of the inpatient setting, HAP covers medications that cannot be self-administered, according to HAP's benefit practice and referral policies that are available by contacting the HAP Client Services department by phone at 313-872-8100 or (800) 422-4641.
- c. Medications that can be self-administered are covered by HAP only for urgent care services, Emergency services or if covered through a HAP-approved Prescription Drug Rider.

4.23 Eye Care and Vision Services

Routine eye examinations are covered when performed by an Affiliated Optometrist, regardless of the Member's Physician Network or Medical Group assignment. Routine eye examinations include the following:

- a. Medical history.
- b. Testing the sharpness of vision.
- c. Ocular refraction.
- d. Internal and external examination of the eyes.
- e. Testing for glaucoma.

4.24 Additional Covered Services

- a. Medically Necessary treatment of any injury that is the result of an act of domestic violence.
- b. Therapy and testing for treatment of allergies according to HAP's benefit, referral and practice policies.

SECTION 5 EXCLUSIONS AND LIMITATIONS

The following are not covered under this Contract:

5.1 Non-Covered Services

- a. **Reproductive Care and Family Planning Services**
 - 1) Voluntary termination of pregnancy.
 - 2) Reversal of voluntary surgically-induced sterilization.
 - 3) Infertility services to persons with a history of voluntary sterilization.
 - 4) All fees related to surrogate parenting arrangements of any kind (not including maternity care and services otherwise covered by this Contract), or costs reimbursed pursuant to a surrogacy agreement.
 - 5) Services related to the collection or storage of sperm or eggs, including donor fees.
 - 6) Home uterine monitoring devices.
 - 7) Services or benefits furnished in connection with any Assisted Reproductive Technologies (ART) procedures that involve harvesting, storage, or manipulation of eggs and sperm. These include, but are not limited to, artificial insemination, in vitro fertilization, gamete intrafallopian transfer, zygote intrafallopian transfer, embryo selection, embryo transfer, embryo freezing and drug treatment.
- b. **Sex-change Procedures**

Hospital, medical, surgical, behavioral health and other related services for the primary purpose of gender reassignment.
- c. **Cosmetic Services**
 - 1) Cosmetic Surgery or any of the related services such as pre-surgical and post-surgical care.
 - 2) Complications of Cosmetic surgery.
 - 3) Follow-up care and reversal or revision of Cosmetic Surgery.
- d. **Weight Loss Programs and Services**

- 1) Food or supplements used for weight loss or in conjunction with any weight loss program.
- 2) Community based weight loss programs or classes.
- 3) Reversals or revisions of bariatric surgery.
- 4) Weight loss procedures performed for Members who do not meet established criteria according to HAP's benefit, referral and practice policies.

e. **Experimental and Investigational Services**

- 1) Any medication, treatment, device, procedure, or service that is Experimental or Investigative as defined in Section 11 of this Contract.
- 2) Complications resulting from medications, treatments, devices, procedures or services that are Experimental and Investigative.
- 3) Fees associated with the care, services, supplies, devices, or procedures that are investigational or are in conjunction with research studies.
- 4) The following are considered experimental or investigational services and, therefore, are not covered:
 - a) Medical, mental health and chemical dependency services that are generally regarded by the medical community to be unusual, infrequently provided, and not necessary for the protection of health.
 - b) Services associated with organ or tissue transplantation that is considered experimental.

f. **Eye Care and Vision Services**

- 1) Eyeglasses and contact lenses.
- 2) Eye examinations for the purpose of prescribing or fitting contact lenses.
- 3) Surgery to correct refractive error including but not limited to Lasik, Radial Keratotomy and Photorefractive Keratectomy.
- 4) Vision therapy or orthoptic treatment (eye exercises).

g. **Transportation**

Transportation to or from a health care facility or doctor's office except for transportation by ambulance in an Emergency or for an approved transfer.

h. **Medical Devices and Equipment, including:**

- 1) Durable Medical Equipment (DME), including Medically Necessary equipment, such as crutches and wheelchairs, that is able to withstand repeated use, is primarily and customarily used to serve a medical purpose and is not generally needed or used by a person in the absence of illness or injury.
- 2) Disposable medical supplies, such as dressings and support garments.
- 3) Prosthetic appliances, including devices or equipment, such as prosthetic limbs, used to replace a missing or malfunctioning body part.
- 4) Orthopedic devices, including rigid or semi-rigid devices, such as special shoes and custom-molded shoe inserts, used to support or immobilize a weak or injured body part.
- 5) Hearing aids.

i. **Foot Care**

Foot orthotics or shoe inserts.

j. **Mental Health and Chemical Dependency**

- 1) Inpatient hospitalizations for the treatment of Mental Disorders or Chemical Dependency that include treatment at non-approved facilities.
- 2) Services for Mental Disorders or Chemical Dependency that, according to generally accepted professional standards, are not amenable to favorable modification.
- 3) Care, services, supplies, devices or procedures related to involuntarily committed or deferred psychiatric admissions that are not rendered by or at your assigned HAP Affiliated Provider except for Emergency Services to the point of stabilization subject to the limits that generally apply to your mental health benefit.
- 4) Care, services, supplies, or procedures that are cognitive in nature.
- 5) Care, services, supplies, devices or procedures that are related to court-ordered services.
- 6) Services provided outside of a covered treatment setting (please refer to Section 4.12 and 4.13).
- 7) Residential programs, institutional settings, transitional living centers, therapeutic boarding schools, non-licensed programs, half-way or three quarter-way houses and milieu therapies such as case management, Assertive Community Treatment (ACT) and wrap-around-care services.
- 8) Personal care, room and board, and domiciliary services.
- 9) Therapy for learning disabilities, developmental delays and mental retardation
- 10) Scholastic/Educational Testing is not covered. Intelligence, Developmental Delay and Learning Disability testing and evaluations should be conducted by the child's school district.
- 11) Counseling for marital and relationship enhancement.
- 12) Counseling for religious purposes (advocation of specific religious belief) including counseling provided by a religious counselor.
- 13) Services for caffeine abuse or addiction.
- 14) Services related to sex therapy.
- 15) Treatment for personality disorders and other unclassified diagnoses unless accompanied by a clinical disorder.
- 16) Custodial care.
- 17) Marriage counseling.
- 18) Treatment of or programs for sex offenders or perpetrators of sexual or physical violence.
- 19) Services to hold or confine a person under chemical influence when no medical services are required, regardless of where the services are rendered.

k. **Nursing Services**

- 1) Private duty nursing services.
- 2) Residential and basic nursing services provided in a long-term care facility.

- l. Personal Services**
 - 1) General housekeeping services.
 - 2) The costs of a private room.
 - 3) Exceptional medical care made necessary by your personal or religious objections to customary, appropriate and usual treatment.
 - 4) Custodial Care, domiciliary care or basic care including room and board, provided in a residential, institutional, or other setting that are primarily for the purpose of meeting your personal needs, and that could be provided by persons without professional skills or training.
 - 5) Personal comfort and convenience items, including but not limited to, telephone and television services during an Inpatient stay, and home or vehicle modifications or appliances.
 - 6) Lodging and/or meals necessary while receiving services either within or outside HAP's Service Area.
 - m. Custodial Inpatient Care**

Non-acute Physician and other services provided while you are receiving Custodial Care in a residential, institutional or other setting.
 - n. Oral, Maxillofacial, and Dentistry Services**
 - 1) Treatment of periodontal, periapical disease, or any condition (other than malignant tumor) involving the teeth or surrounding tissue or structures.
 - 2) Dental services, dental X-rays, dental prosthesis, oral surgery, and dental surgery in connection with the care, treatment, filling, removal, or replacement of teeth or structures directly supporting teeth.
 - 3) Oral or maxillofacial surgery is not covered under this Contract unless specifically covered in Section 4.18.
 - 4) Surgery or treatment beyond Phase I, non-invasive, reversible procedures related to TMJ dysfunction.
 - 5) Endodontic, prosthodontic, and orthodontic treatment.
 - o. Drugs, Dietary Drugs, Food and Food Supplements**
 - 1) Outpatient medications, unless specifically covered in Section 4.19.
 - 2) Over-the-counter medications and their equivalents.
 - 3) If your coverage includes a Prescription Drug Rider, specialty drugs are limited to the retail pharmacy supply indicated on the Prescription Drug Rider.
 - 4) Medications may be excluded from coverage by HAP when there is a similar alternative outpatient prescription drug therapy or treatment.
 - 5) Medications may be excluded from coverage by HAP when the medication can be self-administered by the Member. This includes, but is not unlimited to, the select medication and medication categories listed below:
 - a) arthritis injections (e.g. Etanercept, Adalimumab, Anakinra)
 - b) growth hormone injections (e.g., Somatropin)
 - c) hepatitis B and C injections (e.g. Peginterferon Alpha-2b)
 - d) migraine injections (e.g. Sumatriptan)

- e) blood cell stimulants (e.g. Darbepetin, Epoetin Alfa, Filgrastim)
- f) multiple sclerosis injections (e.g. Interferon Beta 1-a, Interferon 1-b, Gatinamer Acetate, Interferon Beta 1-a)
- g) psoriasis (e.g. Etanercept, Efalizumab)
- h) blood thinner (e.g. Enoxaparin, Fondaparinux)

- 6) Immunizations recommended or required for travel to specific geographic locations both within and outside the U.S. are not a covered benefit.
- 7) Dietary food or food supplements with or without a prescription.
- 8) Cosmetics, medications used for cosmetic purposes, medicated soap or devices such as syringes, test kits, and support garments.
- 9) Medications used for experimental and investigational purposes according to HAP's benefit, referral and practice policies.
- 10) Replacement of lost or stolen medications.
- 11) If your coverage includes a Prescription Drug Rider, HAP may impose quantity restrictions, prior authorization requirements, and exclusions on outpatient medications to assure quality, safety and cost-effective use consistent with HAP benefit, referral and practice policies.
- 12) Federal legend drugs which have received an orphan drug designation from the federal Food and Drug Administration.

p. **Therapy and Rehabilitation Services**

- 1) Services beyond the authorized visit limit as approved by HAP or its designee.
- 2) Massage therapy.
- 3) Services for community-based exercise programs or health and fitness club memberships.
- 4) Services related to cognitive training and/or retraining.
- 5) Therapy Services for diagnosis and treatment of disabilities for which another agency or entity, public or private, has responsibility.
- 6) Therapy Services during school vacation periods for children who would be eligible to receive services through the school system or other public agency.
- 7) Therapy or rehabilitation services for educational, vocational, hobby or recreational purposes.
- 8) Functional capacity evaluations and work re-integration programs.

q. **Providers Included on the Office of Inspector General's (OIG) List of Excluded Individuals/Entities**

All health services provided, ordered or prescribed by any health care professional or facility listed on the OIG's List of Excluded Individuals/Entities, including but not limited to, prescriptions written by or medical equipment ordered by a provider included on this list.

The OIG's List of Excluded Individuals/Entities is available on the OIG website at www.hhs.gov/oig.

5.2 Other Exclusions

- a. Services provided by a non-Affiliated Provider, except for an Emergency or Urgent Care or when specifically approved in advance by HAP or its designee.
- b. Non-Emergency services provided in a Hospital emergency room.
- c. Services for military-related injuries or disabilities, for which you are legally entitled to receive services, payment or reimbursement from the United States or any state or political subdivision thereof.
- d. Services rendered or expenses incurred prior to your effective date of enrollment, or after cancellation of coverage.
- e. Services or benefits that are not expressly included as Covered Services in this Contract.
- f. Fees imposed by any health provider for a missed or no-show appointment or additional charges for services rendered outside of normal business hours.
- g. Fees, Copayments, Deductibles, Coinsurance, or any other monetary requirements and obligations of the Member to any entity, other than HAP, who makes any form of payment for Covered Services.
- h. Services for treatment of an Illness or Injury resulting from declared or undeclared acts of war.
- i. Any services provided by a local, state, or federal government agency, except when payment under this Contract is expressly required by federal or state law.
- j. Any condition for which benefits are paid, recovered, or can be recovered, either by an adjudication settlement or otherwise, under any worker's compensation, employer's liability law or occupational disease law, even if you do not claim those benefits.
- k. Charges associated with hypnosis, massage therapy, light therapy, naturopathic medication, or other alternative medicine or non-standard treatments, including, but not limited to, meditation, self-help, acupuncture or biofeedback.
- l. Items and services related to chiropractic care.
- m. Premarital exams, classes, or marriage counseling.
- n. Services associated with a donor search related to transplants, unless specifically covered in Section 4.20.
- o. Services, supplies, or procedures related to home delivery of infants outside a licensed medical facility.
- p. Services and supplies not Medically Necessary, as defined by HAP.
- q. Services and supplies furnished when you are not under the care of a Physician, as defined by HAP.
- r. Services and supplies not authorized or prescribed by a Physician, as defined by HAP.
- s. Services or supplies furnished by or payable under any plan or law through any governmental or political subdivision (this does not include Medicaid or Medicare).
- t. Services and supplies furnished for Inpatient or outpatient care at a Hospital or qualified treatment facility when the treatment is primarily to provide rehabilitation services, unless approved by HAP.

- u. Charges for a standby Physician when no services are rendered.
- v. Any complications or untoward/unexpected side effects arising from services, procedures, or treatments excluded by this Contract.
- w. The correction of treatments or surgery to improve appearance or any complications of treatments or surgery to improve appearance if the original treatment or surgery was not a Covered Service under this Contract or would not have been a Covered Services if you have been insured.
- x. Hearing aids and supplies, tinnitus maskers, or examinations for the prescription or fitting of hearing aids, or the repair of hearing aids.
- y. Inpatient Hospital admissions for services and supplies that could have been provided on an outpatient basis, unless approved by HAP.
- z. Needles and syringes which are not prescribed in conjunction with insulin.
- aa. An autopsy or any service or supply associated with autopsy or postmortem examination, unless requested by HAP.
- bb. Any charges, including Physician charges, which are incurred if you are admitted to a Hospital on a Friday, Saturday or Sunday, unless approved by HAP.
- cc. Services, supplies or drugs for the treatment of hair loss, or restoration regardless of the cause.
- dd. Personal hygiene items, convenience items and services and supplies needed to make changes to your physical environment, even when those changes are recommended as treatment for an Illness or Injury such as, but not limited to, air conditioners, humidifiers, access ramps or physical fitness equipment.
- ee. Health clubs or health spas, aerobic and strength conditioning, work hardening programs and related materials and products for these programs; personal computers and related or similar equipment; communications devices, including but not limited to, TDD and medical alert systems.
- ff. Services of a volunteer, a person who usually lives in the same household as you, or a member of your immediate family or the family of your spouse.

5.3 Services Required by a Third Party

- a. Examinations, reports, or any other services for the purpose of obtaining, or maintaining employment, licenses or insurance, or for educational or recreational purposes.
- b. Office visits, examinations, treatments and tests relating to requirements or documentation of health status for legal proceedings.
- c. Office visits, examinations, treatments, tests or immunizations relating to or required for travel purposes.
- d. Court-ordered psychiatric or chemical dependency evaluations, treatments or confinements, unless such services meet HAP's benefit, referral and practice policies and are approved by HAP or its designee.

- e. Pre-trial or court testimony and the preparation of court-related reports or services ordered by a court for legal proceedings.

5.4 Police and Criminal Activities

- a. Services provided if you are in police custody, unless an Emergency exists or such benefits and services are provided at a HAP Affiliated Hospital by a HAP Affiliated Provider.
- b. Services for any Injury, Illness, or condition that results from or to which a contributing cause was your commission of or attempt to commit a felony, or engagement in illegal occupations.

SECTION 6—MEMBER RIGHTS AND RESPONSIBILITIES

You have certain rights and responsibilities. They are as follows:

6.1 Rights

- a. You have the right to contact HAP with questions or concerns regarding any aspect of your Contract. You may contact the HAP Member Services department by phone at (313) 872-8100 or (800) 422-4641. If you are hearing impaired, you may contact our Telecommunications Device for the Deaf (TDD) at (313) 664-8000.
- b. You have the right to receive confidential and respectful care regardless of nationality, race, creed, color, age, economic status, gender or lifestyle.
- c. You have the right to be treated with respect, dignity and recognition of your right to privacy.
- d. You have the right to review your own medical records held by an Affiliated Provider by appointment.
- e. You have the right to obtain complete and current information about treatment alternatives without regard to cost or benefit coverage.
- f. You have the right to ask questions about your health problems and to participate in decision-making regarding your health care.
- g. You have the right to be provided with all the information needed to give informed consent prior to the start of any procedure or treatment. This includes an explanation of procedures, alternative treatments and any benefits and risks involved.
- h. You have the right to be informed of the HAP Affiliated Providers available to you to provide health care services. In addition, you have the right to complete and current information about HAP and its services, practitioners and providers, and the rights and responsibilities of HAP Members.
- i. You have the right to request a change to another Physician Network or Medical Group based on its availability. If you are an Inpatient at the time of your request, any such change will become effective following your discharge from the facility. All changes must be approved by HAP before you may receive Covered Services at the newly selected Physician Network or Medical Group. Any services received at the newly selected Physician Network or Medical Group before HAP approves a change may not be considered by HAP to be Covered Services and, therefore, services for which you are responsible for payment.

- j. You have the right to request to change your PCP to a different PCP, either within the same Physician Network or Medical Group or a different Physician Network or Medical Group. Requests will be considered by HAP based on the current facility assignment of the PCP and the PCP's current patient load and availability.
- k. You have the right to expect HAP to respond to your requests within a reasonable timeframe.
- l. You have the right to obtain services in an Emergency without the prior approval of your PCP or HAP.
- m. You have the right to designate a patient advocate to carry out your wishes if you are unable to make decisions regarding care, custody and medical treatment.
- n. You have the right to receive a second physician's opinion from an Affiliated Provider within your assigned Physician Network or Medical Group for any diagnosis or recommended medical procedure. If no other physician practices in the same or similar area of medicine as the original physician within your assigned Physician Network or Medical Group, you have the right to receive a second physician's opinion from another Affiliated Provider practicing in the same or similar area of practice in another Physician Network or Medical Group. To obtain a second opinion, you must have a written referral, approved by HAP or its designee, from your PCP.
- o. You have the right to file a Grievance. The Grievance process provides a way for Members to seek resolution to situations where they are dissatisfied with their care or coverage. Prior to your filing a formal Grievance, HAP will attempt to resolve your complaint informally, for example, during your initial phone call voicing the complaint. You may file a formal Grievance if you are dissatisfied with an Adverse Benefit Determination, or remain dissatisfied with HAP's response to your informal complaint. Please contact HAP at (313) 872-8100 or (800) 422-4641, or refer to the HAP Grievance Policy at the end of this Contract or the HAP Member Handbook for more information about the Grievance process.
- p. You have the right to make recommendations regarding any revisions or additions to these Member rights and responsibilities.

6.2 Responsibilities

- a. You have a responsibility to notify HAP as soon as possible regarding any change in your name, address, or telephone number, employment status, or additional health coverage(s) to which you may be entitled. You also must notify HAP as soon as possible if you, the Subscriber, retire, and/or you or any of your Dependents become eligible for Medicare Part A or Medicare Part B coverage.
- b. You have a responsibility to notify the Group or Remitting Agent of any events that might change the Eligibility of you and your Dependents for coverage under this Contract.
- c. You have a responsibility to participate in your health care by asking questions about your health problems and developing mutually agreed upon treatment goals with your Affiliated Provider(s).
- d. You have a responsibility to follow the treatment plans and instructions for care that you have agreed upon with those Affiliated Providers providing your health care.
- e. You have a responsibility to respect the rights of other patients, HAP Members and Affiliated Providers.

- f. You have a responsibility to review this Contract, Schedule of Benefits, and all Riders to this Contract, the HAP Member Handbook and all relevant material provided by HAP to aid you in understanding your coverage and the provisions of this Contract.
- g. You have a responsibility to notify your PCP of any unexpected changes in your health, and to obtain follow-up care from or at the direction of your PCP after receiving Emergency Services or Urgent Care.
- h. You have a responsibility to present your HAP identification card to the providers of care when receiving Covered Services. Possession of a HAP identification card does not mean a Member has a right to benefits under this Contract. You must immediately report theft or loss of a HAP identification card to HAP.
- i. You have a responsibility to submit claims for services you have already received, or initial requests for reimbursement for services that you already paid for, within 12 months of the date services were provided. HAP will not pay any claims or requests for reimbursement that were not submitted within 12 months from the date of service.
 - 1) You may submit claims to HAP at 2850 West Grand Boulevard, Detroit, MI, 48202, Attention: Claims Department.
 - 2) You may submit requests for reimbursement to HAP at P.O. Box 02669, Detroit, MI, 48202, Attention: Member Reimbursement. All requests for reimbursement must include the proof of payment receipt along with the appropriate claim information.
- j. You have a responsibility at the time of enrollment to select a single Physician Network or Medical Group and a single PCP for your medical care. For selected Physician Networks or Medical Group, most Covered Services require a referral from your PCP, and most referrals from your PCP will be to Affiliated Providers within your chosen Physician Network or Medical Group.
- k. You have a responsibility to satisfy all referral, authorization and assigned network requirements described in this Contract, regardless of whether HAP pays as the primary insurer or otherwise.
- l. If HAP is not your primary insurer, you have a responsibility to ensure that claims are submitted to your primary insurance carrier before they are submitted to HAP.
- m. You have a responsibility to notify HAP of an Emergency inpatient hospital admission within 48 hours of the admission, as described in Section 4.9(b).
- n. You have a responsibility to provide truthful information on your application, your enrollment form and in any other information provided to HAP.

SECTION 7—COORDINATION OF BENEFITS, SUBROGATION AND REIMBURSEMENT

7.1 Duplicate Coverage

You may be entitled to receive services similar to Covered Services from a source other than HAP. State laws and our contracts with Groups and government programs require us to coordinate your benefits because it is a way to reduce the cost of health care. We do not duplicate benefits available from any other source. In no event will money be paid or credited to you as a result of coordinating your benefits.

- a. Coordination of benefits refers to the procedure used to establish payment responsibility for health care expenses when you are covered by any other source in addition to HAP.

- b. Subrogation and reimbursement refers to HAP's right to recover from a third party or insurance company, medical expenses paid on your behalf as a result of injuries or illnesses that are caused by any act or omission of a third party, and/or complications incident thereto, but only to the extent that HAP pays for Covered Services under this Contract.
- c. As used in this Section 7, the term "source" includes, without limitation, other health plans or insurers, automobile insurers, prepaid group practices or other prepaid coverage, employer self-insurance plans, Workers' Compensation insurers, government programs, or any other source of coverage for medical care against which a Member has or may have a claim for medical benefits, other than HAP.
- d. If we pay for Covered Services that are covered by another source, we will automatically be assigned your right to seek reimbursement and all rights of subrogation against the other source.

7.2 Your Obligation to Inform HAP of Other Coverage

You must immediately notify us of the identity of any other source of coverage, including, but not limited to, coverage under Medicare, and provide us with information requested by us. Failure to do so may result in the suspension of payment for Covered Services until you provide us with complete and accurate information regarding any other source of coverage.

7.3 How We Coordinate Benefits

- a. We coordinate your benefits under the State of Michigan coordination of benefits law, the Federal Medicare secondary payer law and other applicable law. Unless otherwise required by law, the benefits for Covered Services under this Contract shall be deemed secondary to benefits available from any other source.
- b. When you are covered by another source in addition to HAP, you must submit all bills first to the primary plan. The primary plan must pay its full benefits as if you had no other coverage. If the primary plan denies the claim or does not pay the full bill, you may then submit the balance to HAP. Except as required by law, we will not pay more as the secondary carrier than we would pay as the primary carrier.
- c. HAP pays for Covered Services only when you follow HAP's rules and procedures regarding referrals and authorizations. You are responsible for ensuring that you receive services from Affiliated Providers, regardless of whether HAP is the primary or secondary payer.
- d. HAP does not pay any fees, Copayments, Deductibles, Coinsurance or other monetary requirements and obligations imposed by the primary or other payor.

7.4 Subrogation and Reimbursement

- a. We may pursue recovery of the amounts paid for Covered Services to the extent that you have a right to recover those amounts from any other party. We are automatically assigned to all of your rights to recover the amounts paid for such Covered Services. We will not reimburse you for expenses, including, without limitation, attorney fees and costs that you incur to recover these amounts from any other party. By accepting HAP's payment for Covered Services, you consent to the provisions contained in this Section 7, and agree to reimburse HAP for all expenses paid for Covered Services within 30 days of obtaining a monetary recovery.
- b. If you file a claim or request for benefits or payment against any person or source related to any accident, injury, or condition for which HAP paid, or may pay in the future, you must provide written notice to HAP of such a claim or request and provide a copy of any

documents submitted to the other person or source within 10 days of submitting the claim or request to the other person or source. You are required to provide us with complete and accurate information and other assistance reasonably necessary for us to enforce our rights of recovery. You cannot compromise or settle a claim or take any action that could prejudice our recovery rights unless we agree, as evidence by us in writing in a signed, duly authorized agreement. We may suspend or setoff present or future payment for Covered Services if you fail to provide us with complete and accurate information and other assistance reasonably required by us to enforce our rights of recovery.

- c. In the event that you receive or are entitled to receive payment from another person or source that is legally responsible for the injury or illness or for payment of your medical expenses, either in tort or in contract, you are obligated to reimburse HAP for all medical expenses paid for Covered Services up to the amount received or subject to recovery from the person or source who or which is legally responsible for payment. In the event that you receive or are entitled to receive payment under a settlement agreement which neither admits nor denies liability for the injury, you are obligated to reimburse HAP for all medical expenses paid for Covered Services by HAP in connection with that injury or illness.
- d. You will hold any amounts received or recovered from another person or source as a trustee for HAP until our rights under this Section 7 have been satisfied or released, as evidenced in writing by us in a signed, duly authorized agreement.
- e. You do not have the right to engage legal counsel or to act on HAP's behalf without our agreement, as evidenced in writing by us in a signed, duly authorized agreement.
- f. If you engage legal representation to pursue a claim against any person or source, you must inform your legal counsel of the rights of HAP under this Section 7.
- g. You assign us a first dollar lien (i.e., priority over other rights) against the proceeds of any recovery by you or on your behalf, regardless of whether such recovery is by way of judgment or verdict in a civil action or as a result of arbitration, mediation, settlement, or remedy provided by statute, regulation or otherwise. Such lien will extend to any and all amounts recovered by you or on your behalf regardless of the designation, categorization or allocation of amounts so recovered to losses or damages other than Covered Services and regardless of whether the amount recovered is less than, equal to or in excess of your total losses or damages.
- h. If any recovery by you or on your behalf includes amounts for future damages or loss, you agree to hold the recovery amount in trust, subject to a continuing lien in favor of HAP, and will promptly reimburse HAP for all future Covered Services for which payment was made and which relate to the illness or injury that gave rise to the recovery.

SECTION 8—CANCELLATION

8.1 When You Wish to Cancel Coverage

You must notify your Group or Remitting Agent if you wish to cancel coverage under this Contract. We must receive written notice of cancellation from you, your Group or Remitting Agent. We will accept the written notice up to 30 days in advance of the cancellation date. If requested by your Group or Remitting Agent, we will cancel your coverage retroactive to the first

day of the month in which the notice of cancellation is received by us. Cancellation of coverage is effective on the date we receive your cancellation request or the cancellation date you specify, whichever is later.

8.2 Cancellation of Coverage by the Group

The Group may cancel coverage under this Contract with respect to any or all Member(s). Cancellation of coverage is effective on the date we receive the cancellation request from the Group or the cancellation date specified by the Group, whichever is later.

8.3 Cancellation of Coverage by HAP

We may cancel your coverage if:

- a. We do not receive the required Premium from the Group or Remitting Agent within 30 days after the Premium Due Date. Such cancellation will be retroactive to the last day of the period for which a Premium was paid.
- b. Your Group's membership in an association that contracts with us on behalf of its members ceases. Such cancellation shall be effective as of the date of membership In the association ends.
- c. Your Group or Remitting Agent intentionally furnishes incomplete, inaccurate or false information of a material fact to us, commits an act, practice or omission that constitutes fraud. Such cancellation may be retroactive to the date such information was received. HAP will provide your Group with 30 days advance notice of cancellation in this instance.
- d. Your Group or Remitting Agent fails to follow HAP's rules relating to Group contribution or Group participation. Such cancellation shall be effective immediately upon notice to you or your Group or the Remitting Agent.
- e. You intentionally furnish incomplete, inaccurate or false information of a material fact to us, an Affiliated Provider, your Group or the Remitting Agent or you perform an act, practice or omission that constitutes fraud. Such cancellation may be retroactive to the date we determine is appropriate based on the information received. HAP will provide you with 30 days advance notice of cancellation in this instance.
- f. You misuse your coverage or your HAP identification card by helping an ineligible person obtain services under this Contract, using another Member's identification card or requesting payment for services you did not receive. Such cancellation shall be effective immediately upon notice to you.
- g. You fail or refuse to cooperate with us in pursuing subrogation and coordination of benefits in accordance with Section 7, including by failing to provide HAP with your entitlement and enrollment status under Medicare or other coverage. Such cancellation shall be effective upon 30 days advance written notice to you.
- h. You behave in a way that is unruly, uncooperative, disruptive or abusive, and this behavior seriously affects our ability to arrange or provide medical care for you. Such cancellation shall be effective immediately upon written notice to you.
- i. You fail to establish or maintain, after repeated attempts, a satisfactory relationship with an Affiliated Provider, HAP will provide you with 30 days advance written notice of cancellation in this instance.

8.4 Effect of Cancellation

If you become ineligible for coverage because the arrangement between HAP and the Group is canceled, the Contract ends on the effective date of cancellation. If we cancel your coverage under Section 8.3(c), or 8.3(e) - (i), we may refuse to enroll you in the future for coverage offered by HAP or its subsidiaries.